

ORIGINAL
TITLE PAGE

TARIFF CONTAINING REGULATIONS AND RATES
For END USER

TELECOMMUNICATIONS SERVICES

Of

TOUCH AMERICA SERVICES, INC.

130 N. Main Street
Butte, Montana 59701
Phone: (406) 496-5100
Toll-Free: (800) 823-4874

Within

THE STATE OF ARIZONA

For Customer Inquiries and Complaints, Please Write to or Call the Following:

TOUCH AMERICA SERVICES, INC.

Customer Service Center
2685 Palmer
P.O. Box 5207
Missoula, Montana 59806
Phone: (406) 523-3605
Toll-Free: (800) 823-4664
Facsimile: (406) 523-3606
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NOTES:

Issued: February 5, 2003

Michael J. Meldahl, President
TOUCH AMERICA SERVICES, INC.
130 N. Main Street
Butte, Montana 59701
(406) 496-5100

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ORIGINAL**CHECK SHEET**

Pages 1 through 61 of this Tariff are effective as of the date shown at the bottom of the respective page(s). Original and revised pages as named below comprise all changes from the original Tariff and are currently in effect as of the date on the bottom of this page.

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EXPLANATION OF SYMBOLS

- (C) To signify changed conditions or regulation
- (D) To signify discontinued rate, regulation or condition
- (I) To signify increase
- (M) To signify that material has been transferred from another sheet or place in the tariff
- (N) To signify new rate, regulation, condition or sheet
- (R) To signify reduction
- (T) to signify a change in text for clarification

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TARIFF FORMAT

1. Page Numbering - page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between page 14 and 15 would be 14.1.
2. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Arizona Corporation Commission ("ACC"). For example, the 4th revised page 14 cancels the 3rd revised page 14. Consult the check page for the page currently in effect.
3. Paragraph Numbering Sequence - While there are several possible levels of paragraph coding exemplified below, only the 1st four levels are currently used in this tariff. Each level of coding is subservient to its next higher level:
 1.
 - 1.A.
 - 1.A.(1).
 - 1.A.(1).(a).
 - 1.A.(1).(a).(i).
4. Check Pages -- When a tariff filing is made with the ACC an updated check page accompanies the tariff filing. The check page lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check page is changed to reflect the revision. All revisions made in the given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

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CONCURRING CARRIERS

None

CONNECTING CARRIERS

AT&T - American Telephone and Telegraph Company
MCI Communications
US Sprint Communications
US WEST Communications
WTCI Communications
Local Exchange Carriers
and
other Carriers who, in the future, may provide
Telecommunications Services in the State of
Arizona

OTHER PARTICIPATING CARRIERS

None

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SECTION 1 - DEFINITIONS

Account Number: Number defined by COMPANY for customer identification purposes to which all respective long distance and associated charges are assigned, billed and collectable from the customer. Associated charges are applicable install fees, monthly recurring service charges. PICC charges, long distance itemized call charges, late payment finance fees and applicable Federal, State, County, Municipal and/or Local taxes and Federal and/or State universal service charges.

Advance Payment: Partial or full payment required before the start of service.

Affiliate: Any entity (including any natural person or entity such as a corporation or partnership) controlling, under the control of or under common control with another entity.

Aggregator: Any person or entity that, in the ordinary course of its operations, makes telephones available to the public or to End Users of its premises for telephone calls using a provider of operator services.

Answer Supervision: Switch capability to detect, by hardware LEC signal or by switch software detection, the dialed number's answer event and the disconnect event. Answer Supervision deletes dialing, ring time and busy signal time from billable talk or communication time.

AT&T: American Telephone and Telegraph Company.

Authority Network Management System (Authority NMS): A system which provides customers on-line access to receive management reports as required applicable to utilization statistics per data line circuit interface (frame relay address), performance statistics for trunks and circuit lines and port statistics on a per frame relay port basis.

Authorization code: A customer identification and security code assigned by COMPANY that enables customer to access Company's long distance network.

Authorized User: A person, firm, corporation or any other entity authorized by the Customer to be connected to the service of the Customer.

Automatic Number Identification ("ANI"): The automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party customer. The primary purpose of ANI is for billing toll calls.

Auto Reconfiguration (ARC): Automatic alternate destination routing to provide automatic re-routing of data to a predefined alternate destination for disaster recovery and local loop redundancy applications.

Band 0: Intrastate calls; All calls placed within the State.

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SECTION 1 – DEFINITIONS (Cont'd)

Basic Digital Service (BDS): A dedicated digital private line service that may be utilized to support voice frequency, data, video and facsimile applications.

Burst Information Rate (BIR): A short duration transmission that can relieve momentary congestion in the Local Area Network.

Business Customer: A customer whose use of service is primarily or substantially of a professional, business, institutional, occupational, or other commercial nature.

Cancellation of Order: A customer initiated request to discontinue processing a service order or request, either in part or in its entirety, prior to its completion.

Carrier: TOUCH AMERICA, unless specifically stated otherwise.

Channel or Circuit: A communications path between two or more points.

Collect Call: A billing arrangement whereby the charge for a call may be charged to the called party, provided the called party verbally accepts the charge or keys in a positive response acknowledging acceptance of the charges.

Commission: The Arizona Corporation Commission (ACC)

Committed Information Rate (CIR): A rate assigned to each Private Virtual Circuit (PVC) by the TA FramePlus subscriber. CIRs represent the "guaranteed" transmission rates between two network ports. CIRs are available in 8 Kbps increments from Zero to 1024K.

Company: TOUCH AMERICA, unless specifically stated otherwise.

Completed Calls: Completed calls are calls answered on the distance end or, where necessary, positively accepted by the called party. (i.e., Person-to-Person and Collect calls).

Connecting Carrier: A telecommunications company, which may be either an interexchange or a Local Exchange Carrier, that supplies COMPANY with facilities to originate, transport and/or terminate Company's long distance services, including Operator Services.

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SECTION 1 – DEFINITIONS (Cont'd)

Customer: The person, firm, corporation or other entity which orders service -- either for its own use or as a non-profit manager of a sharing group -- and which is responsible for the payment of charges as explained herein and for compliance with Company's price list regulations. For billing purposes, a customer is considered to be an account. If a person, firm, corporation or other entity orders the service in more than one originating city, or requests the assignment of more than one account number in a particular city, each such "customer" may include one or more locations of commonly owned or operated business.

Customer Dialed Calling Card Calls: Calling Card Calls which are handled on automated basis such that they do not require intervention by an attended operator position (i.e. a "live" operator) to complete.

Customer Provided Equipment: Terminal equipment provided by a customer.

Dedicated Access Lines: Dedicated Access lines used between the customer's premises and Company's Points-of-Presence for origination or termination of telecommunication traffic.

Deposit: Cash or equivalent of cash security held as a guarantee for payment of the charges.

Disconnection: The disconnection of a circuit, dedicated access line or port connection being used for existing service.

Expedited Service Order: A service order, which, in compliance with a customer request, is completed in a time period shorter than the Company's standard service interval.

Extended Digital Service (EDS): A dedicated digital private line service that may be utilized to support voice frequency, data, video and facsimile applications. EDS is available in increments of 64 Kbps up to 512 Kbps for higher speed data applications.

FCC: Federal Communications Commission.

High Speed Digital Service (HDS): A dedicated digital private line service that may be utilized to support voice frequency, data, video and facsimile applications. HDS transports full duplex digital signals over terrestrial facilities at the rate of 44.736 Mbps or the equivalency of 28 DS-1's or 672 DS-0's.

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SECTION 1 – DEFINITIONS (Cont'd)

Holidays: The following are the COMPANY recognized national holidays determined at the location of the originator of the call. Unless a specific date is noted, the date of the holiday is the federal observed date:

New Year's Day (January 1)
Independence Day (July 4)
Memorial Day
Labor Day
Thanksgiving Day
Christmas Day (December 25)

Individual Case Basis ("ICB"): A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the customer.

Installation: The connection of a circuit, or dedicated access line, or other dedicated facility for new or additional service.

Interconnection Facilities: Circuits and/or dedicated access arrangements provided by the Customer or a third party supplier to interconnect the Customer with the Company's service. The Customer shall have sole responsibility for the ordering, installation, maintenance, and payment of such facilities.

InterLATA Call: An InterLATA call is any call that originates and terminates in a different LATA.

IntraLATA Call: An intraLATA call is any call that originates and terminates within the same LATA.

LATA - (Local Access and Transport Area): A geographical area established as required by the Modified Final Judgment in the government's antitrust suit against the Bell System for the provision and administration of communications services.

LEC: Local Exchange Carrier.

Local Calling Area: Denotes a geographical area in which a Local Exchange Company end user may complete a call without incurring long distance charges.

Local Facilities: Any facility providing interconnection between a customer's premises and COMPANY terminal location.

Measured Charge: A charge assessed on a per minute basis in calculating a portion of the charges due for a completed Operator Assisted Call.

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ORIGINAL**SECTION 1 – DEFINITIONS (Cont'd)**

Minimum Service Period: The minimum period of time during which Customer is obligated to pay for services provided by the Company.

Monthly Recurring Charge ("MRC"): Monthly charges to the customer for services, facilities or equipment, which continue and are billed to the customer each month for the duration of the service.

Nonrecurring Charge ("NRC"): The initial charge, usually assessed on a one-time basis, to install equipment and facilities to establish service.

Operator Assisted Calls: Calls requiring assistance for completion, usually by dialing 0+(area code)+(exchange)+(line number); or by dialing "0" or "00", with all subsequent dialing being performed by Operator Services. The following are examples of calls normally placed in this manner:

Calling Card Calls - Calls for which charges are billed, not to the originating telephone number, but to a telephone calling card issued either by a local exchange or long distance telephone company for this purpose. At the caller's option, and depending upon the services available at a particular location, calling card calls may entail intervention of an attended operator position (i.e. a "live" operator) or may be made on an automated basis. The latter are termed "Customer Dialed Calling Card Calls" for purposes of this tariff.

Credit Card Calls - Calls for which charges are billed, not to the originating telephone number, but to a credit card, such as VISA, MasterCard, or American Express.

Person-to-Person Calls - Calls that are placed under the stipulation that the caller will speak only to a specific called party.

Order: A single request by a customer subscribing to service or facilities, or both, to any number or circuits to any number of locations where the services or facilities, or both, are provided by the carrier

Other Carrier: A person, firm, corporation, or entity, which provides communication services or facilities, or both, including but not limited to, exchange carriers, electronic message service carriers, resellers, and interconnect companies.

Permanent Virtual Circuit (PVC): A logical connection between port connections. PVC's are defined on the basis of simplex (or asymmetrical) transmission, which allows the user to establish different data transmission rates in each direction.

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SECTION 1 – DEFINITIONS (Cont'd)

Person-to-Person Call: A call whereby the caller specifies to the Company operator a particular person to be reached, or a particular station, room number, department or office to be reached through a PBX attendant.

Point-of-Presence: Company's physical presence in a LATA (as defined herein). Locations where COMPANY maintains operations centers for purpose of providing long distance services.

Point of Destination: The area code and telephone number called in a location other than the point of origination.

Point of Origination: The station from which the customer initiates a call through the Carrier's switch.

Port: Connection to the Company's switching network with one or more voice grade or DS-1 level communications channels, each with a unique network address (telephone number), dedicated to the customer. Each port is equipped with a Terminal Interface.

Premises: The space designated by a customer at its place or places of business for Company's service, whether for its own communications needs or for the use of its resale customers.

Presubscription: A service arrangement whereby the Customer authorizes the local telephone company to route all InterLATA calls to the Company.

Project Codes: Customer and/or COMPANY defined, verified and/or non-verified codes that can be used to: 1. Identify specific customer authorized user(s) and/or project(s) and 2. Allocate the cost of the long distance communication to the respective customer account number for billing purposes.

Rate Periods: Unless otherwise noted, the following rate periods are applicable to all products in this tariff:

Day:	8:00 AM-4:59 PM (Monday thru Friday).
Evening:	5:00 PM-10:59 PM (Sunday thru Friday).
Night/Weekend:	11:00 PM-7:59 AM (Sunday thru Friday, all day Saturday and Sunday from 8:00 AM -4:59 PM).

Reseller: A company that purchases a big block of long distance calling minutes for resale in smaller blocks to its customers.

Residential Customer: A Customer whose use of the Company's services is substantially of a social and domestic nature.

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SECTION 1 – DEFINITIONS (Cont'd)

Responsible Organization ("Resp. Org."): Responsible Organization is the entity that maintains the routing for 800 numbers in the National database.

Service Date: The date on which Customer begins to utilize the Service or the date on which Service is made available for use by the Customer or its authorized users, whichever is sooner.

Service Location: A Service Location shall mean a single Customer premise location either owned or leased by the Customer, which location has its own, unique mailing address and which is used principally by the Customer to conduct its business. A Customer may have more than one (1) Service Location.

Special Promotional Offerings: Special discounts or modifications of its regular service offerings which COMPANY may, from time to time, offer to new customers for a particular service. Such offerings may be limited to certain dates, times and locations.

Subscription Agreement: A Standard COMPANY form that includes all pertinent LOA (Letter of Agency), billing, technical and other descriptive information that will enable COMPANY to provide the long distance service required.

Telecommunications - The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or other similar communications.

Termination Service: During the Term, the COMPANY agrees to provide call termination services for all call placed through the Digital Switching System (excluding international calls). The COMPANY will provide Terminating Service for all calls via its Services offered in the tariff.

Terminal Equipment: Devices, apparatus and their associated wiring, such as teleprinters, telephone handsets or data sets.

Terminal Interface: The method of physical connection between a Company-provided service and a Customer's transmission cable, inside wiring, or terminal equipment. Depending upon the service ordered by the Customer, there might be a choice of terminal interfaces. The Customer is responsible for ordering a terminal interface that is compatible with the Customer's terminal equipment. All terminal interfaces will be provided by industry-standard connectors as specified in or authorized by Subpart F of Part 68, Title 47, Code of Federal Regulations.

Terrestrial Digital Service (TDS): A dedicated digital private line that may be utilized to support voice frequency, data, video and facsimile applications. TDS transports full duplex digital signals over terrestrial facilities at the rate of 1.544 Mbps or the equivalency of 24 DS-0's.

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SECTION 1 – DEFINITIONS (Cont'd)

Third Party Billed Call: A billing arrangement by which the charges for a call may be billed to a number that is different from the calling number and the called number.

TOUCH AMERICA: COMPANY or Carrier, unless specifically indicated otherwise.

Transmission: The sending of electrical or optical signals over a line to a destination.

Trunk: Communications path connecting two switching systems in a network, used in the establishment of an end-to-end communication.

Two-Way Transmission: The capability of transmission in either direction or in both directions at once.

Underlying Carrier: Refers to any Interexchange carrier that provides long distance services resold by the Company.

Volume Discount: A pricing concept that rewards large volume users.

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SECTION 1 – DEFINITIONS (Cont'd)

WATS: Wide Area Telecommunications Service.

800/888/877 Number, Added, Changed, Deleted

A customer-initiated request to:

1. Replace an 800/888/877 number with a new 800/888/877 number.
2. Add an 800/888/877 number to an existing 800/888/877 circuit.
3. Delete an 800/888/877 number from an existing 800/888/877 circuit.

800/888/877 Subscriber: An 800/888/877 Subscriber is the person, firm, corporation or other entity that, in accordance with SMS/800/888/877 procedures, controls an 800/888/877 number and has the right to designate its responsible organization (Resp. Org.) for that 800/888/877 number.

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SECTION 2 - RULES AND REGULATIONS

1. **DESCRIPTION OF SERVICE**

A. COMPANY is a switched resale common carrier providing intrastate long distance message toll telecommunications and operator services to customers throughout the State of Arizona for their direct transmission and reception of voice, data and/or other types of communication. Long distance services are provided through Local Exchange and/or other Connecting Carriers. Operator services are provided either directly by COMPANY or under contract with a certified operator service provider.

B. Communications begin when COMPANY's switch, located in Helena, Montana, detects the Answer Event as signaled from Local Exchange Carriers and/or other Connecting Carriers. Communications cease when COMPANY's switch detects the Disconnect Event that occurs by the hanging up of either the calling or called party.

C. Intrastate telecommunications service is the furnishing of COMPANY services for the communications between specified locations under the terms contained herein. Channels will be those of COMPANY alone, or COMPANY in conjunction with those of other participating, concurring or connecting carriers.

D. COMPANY, when acting at the customer's request and as his/her authorized agent, will make reasonable efforts to arrange for service requirements which may include terminal equipment and circuit conditioning.

E. COMPANY bills customers on a monthly basis for itemized call charges and appropriate recurring service charges as outlined in this tariff, including all applicable preferred interexchange carrier change ("PICC") charges, Federal, State, County, Municipal and/or Local taxes and Federal and/or State universal service charges, unless credit considerations or other circumstances require special agreements for more frequent billing.

F. Subject to availability, the customer may use Project Codes to identify the users or user groups on an account. The numerical composition of such codes shall be set by COMPANY to assure compatibility with its accounting and automation systems and to avoid duplication of codes.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

2. **LOCATIONS OF SERVICE**

Communications may originate and terminate in any area within the State of Arizona.

3. **LIMITATIONS OF SERVICE**

A. Service is offered subject to the availability of the necessary facilities and/or equipment and subject to provisions of this tariff and/or price list. COMPANY reserves the right not to provide service to or from location(s) where the necessary facilities or equipment are not available.

B. COMPANY reserves the right to discontinue furnishing service pursuant to ACC rules and/or when necessitated by conditions beyond COMPANY's control. These conditions include, but are not limited to, a customer's call volume or calling pattern that results or may result in network blockages or other service degradation which adversely affect service to the calling party, customer, or other customers of COMPANY. COMPANY also reserves the right to discontinue furnishing service, upon written notice, when the customer is using the service in violation of the provisions contained herein, or in violation of the law.

C. Service may be discontinued by COMPANY, without notice to the customer, by blocking traffic to or from certain cities, NXX exchanges, or individual telephone stations, by blocking call origination for 500, 800 or 900 service(s), or by blocking calls using certain customer authorization codes, when COMPANY deems it necessary to take such action to prevent unlawful use of, or nonpayment for its service. COMPANY will restore service as soon as it can be provided without undue risk, and will, upon request by the customer affected, assign a new authorization code to replace the one that has been deactivated. In addition, COMPANY may, at the request of the customer institute blocking of telephone stations in order to prevent telephone calls made to annoy, abuse, threaten or harass any person at the called number. COMPANY will, upon written request by the customer, remove the block. COMPANY reserves the right to limit the number of requests for blocking per customer. In order to control fraud, COMPANY may refuse to accept Calling Card, Collect Calling and/or Third Number calls which it determines to be invalid and/or may limit the use of these billing options to or from certain areas, including all or part of the State of Arizona.

D. COMPANY reserves the right to discontinue furnishing service when necessitated by conditions beyond its control or when the customer is using the service in violation of the law or provisions of this tariff.

E. COMPANY offers customers operator assisted calls (0+ or 0-), credit card calls, collect calls, person to person calls, and third party calls. 911 emergency calls and 976 numbers are not directed to COMPANY, but will be completed by Local Exchange and/or other Connecting Carriers.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

3. LIMITATIONS OF SERVICE (Cont'd)

F. COMPANY reserves the right to change the rates, terms or conditions of its services as permitted by the Commission.

G. A customer shall not use any service mark or trademark of COMPANY or refer to TOUCH AMERICA in connection with any product, equipment, promotion or publication of the customer without the approval of COMPANY.

H. Title to all facilities provided by COMPANY under these regulations remains with COMPANY.

I. COMPANY reserves the right to discontinue furnishing service pursuant to ACC rules and /or when necessitated by conditions beyond its control or when the customer is using the service in violation of the law or provisions of this tariff.

4. TERMS AND CONDITIONS

A. Unless credit considerations or other circumstances require special agreements for more frequent billing, service is provided on a basis of a minimum period of at least one month. Individual call charges are calculated to the nearest 1/100th cent and then rounded up to the next whole cent. Billing begins on the date that service becomes effective and continues to be provided until canceled by the customer or COMPANY

B. Service is offered on a monthly basis, unless otherwise agreed upon by the customer and COMPANY, seven (7) days per week, twenty-four (24) hours per day.

C. The name(s) of the customer(s) desiring to use the service must be stipulated in the Application for Subscription or Service Agreement.

D. The customer agrees to operate Company-provided equipment in accordance with instructions of COMPANY or its agent. Failure to do so will void COMPANY's liability for interruption of service and may make the customer responsible for damage to equipment.

E. The customer agrees to return to COMPANY all COMPANY-provided equipment delivered to the customer within five (5) days of termination of the service in connection with which the equipment was used. Said equipment shall be in the same condition as when delivered to the customer, normal wear and tear only are excepted. The customer shall reimburse COMPANY, upon demand, for any costs incurred by COMPANY due to the customer's failure to comply with this provision.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

5. USE OF SERVICE

A. Service may be used for the transmission and reception of communications by the customer.

B. Service may not be used for any unlawful purpose or for any purpose for which any payment or other compensation is received by the customer, except when the customer is a duly authorized and regulated common carrier. This provision does not prohibit an arrangement between the customer, authorized user, or joint user to share the cost of the service so long as the arrangement generates no profit for any participant in the arrangement.

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6. INTERCONNECTION

A. Service furnished by COMPANY may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by COMPANY. Service furnished by COMPANY is not part of a joint undertaking with such carriers. Any special interface equipment or facilities necessary to achieve compatibility between the facilities of COMPANY and other participating carriers shall be provided at the customer's expense.

B. Interconnection with the facilities or services of other Connecting Carriers shall be under the applicable terms and conditions of the other Connecting Carriers' tariffs. The customer is responsible for taking all necessary legal steps for interconnecting customer-provided terminal equipment or communications system with COMPANY's facilities. The customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****7. LIABILITY/CREDIT ALLOWANCES**

A. COMPANY shall not be liable for any failure of performance due to causes beyond its control, including, but not limited to, acts of God, fires, floods or other catastrophes, national emergencies, insurrections, riots of wars; strikes, lockouts, work stoppages or other labor difficulties, Connecting Carrier operating problems; and any law order, regulation or other action of any governing authority or agency thereof.

B. COMPANY will provide adequacy of service pursuant to ACC rules. Interruptions of service will be avoided and/or restored pursuant to same ACC Rule.

C. COMPANY's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this tariff. With respect to any other claim or suit, by a customer or any others, for damages associated with ordering (including reservations of any specific number(s) for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption, or restoration of any service and/or facilities offered under this tariff, COMPANY's liability, if any, shall be limited as follows:

(1). With respect to any service provided by COMPANY, which involves dedicated access, COMPANY's liability shall not exceed an amount equal to the proportionate monthly recurring charges -- including any service charges, monthly minimum charges, basic feature package charges, monthly charges for option features, charges for dedicated access facilities and any other monthly charges -- for the period during which the service was affected.

(2). With respect to any toll free Inbound Service (800, 888, 877, 866, etc.; hereafter referred to as 800 Inbound Service) provided by COMPANY which involves per minute usage charges, COMPANY's liability shall not exceed an amount equal to the proportionate monthly recurring service charges -- including any monthly fee associated with the service, charges for dedicated termination facilities, and any other monthly charges -- for the period during which the service was affected. COMPANY shall not be liable where 800 Inbound Service was affected. COMPANY shall not be liable where 800 Inbound Service is not made available on the date committed to the customer, or cannot otherwise be made available after COMPANY's acceptance of the customer's order, or where the customer is provided with a number or numbers other than the one(s) committed by COMPANY to the customer or the number or numbers included in the 800 Inbound Service are published by the customer in an incorrect form. It is the customer's responsibility to test all 800 Inbound Service numbers prior to the preparation of advertising materials or the dissemination of the number.

(3). COMPANY shall not be liable at all for the use, misuse, or abuse of a customer's 800 Inbound Service by third parties, including, without limitation, the customer's employees or members of the public who dial the customer's 800 Inbound Service number by mistake or intentionally bother the customer with repeated calls. Compensation for any injury the customer may suffer due to the fault of others than COMPANY must be sought from such other parties.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****7. LIABILITY/CREDIT ALLOWANCES (Cont'd)**

(4). Subject to the specific limitations set forth in this paragraph, for all of COMPANY's services for which charges are specified on the basis of per minute of use, or on usage of a fraction of a minute, and in which there may be interruption of any individual call caused by COMPANY which can be remedied by redialing the call.

(a). A credit allowance will be made for that portion of a call which is interrupted due to poor transmission (e.g. noisy circuit), one-way transmission (one party is unable to hear the other), or involuntary disconnection caused by COMPANY's service. A customer may also be granted credit for reaching a wrong number. To receive a credit, the customer must notify COMPANY's Customer Service Center and furnish the number from which the call was placed, the number called, the difficulty experienced and approximate time the call was placed. Credit allowances will not be made for (1) interruptions not reported to COMPANY or (2) interruptions that are due to the failure of power equipment, systems or services not provided by COMPANY. If the customer elects to use another means of communications after one of the above interruptions, or during a period when they are unable to place a call over COMPANY, the customer must pay the charges for the alternative service used.

(b). Where a call has been disconnected, the customer will be given a credit allowance equivalent to the charge for the initial minute of the call made to reestablish communications with the other party. Where a call has been interrupted by poor transmission or one-way transmission, the customer will be given allowance up to an amount equivalent to the charge for the initial minute of the call to the wrong number if they report the situation promptly to a COMPANY Customer Service Representative.

(5). For all of COMPANY's services which involve dedicated access for which monthly recurring charges are applied and which may be interrupted for as much as several days, the customer will be given a credit allowance for an interruption of two consecutive hours or more, as follows:

a. When service is interrupted for a period of less than two (2) hours, no credit allowance will be given.

b. When the service's dedicated access line or lines associated with the service are interrupted for a period of two (2) to twenty-four (24) hours, a credit allowance in an amount equal to one-thirtieth (1/30th) of the monthly recurring charge or charges will be given.

c. When the service's dedicated access line or lines associated with the service are interrupted for a period of more than twenty-four (24) hours, a credit allowance in an amount equal to one-thirtieth (1/30th) of the monthly recurring charge or charges will be given for each twenty-four (24) hour period or fraction thereof.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

7. LIABILITY/CREDIT ALLOWANCES (Cont'd)

(6). No credit allowances will be made for:

(a). Interruptions caused by the negligence of the customer or others authorized by the customer to use the customer's service.

(b). Interruptions due to the failure of power equipment, systems, or services not provided by COMPANY

(c). Interruptions during any period during which COMPANY or its agents are not afforded access to the premises where lines associated with the customer's services are located.

(d). Interruptions during any period when the customer or user has released the service to COMPANY for maintenance or rearrangement purposes, or for the implementation of a customer order.

(e). Interruptions during periods when the customer elects not to release the service for testing or repair and continues to use it on an impaired basis.

(f). Interruptions not reported to Carrier.

(7). An interruption period begins when the customer reports to COMPANY that the service has been interrupted and releases it for testing and repair. An interruption period ends when the service is operative again. If the customer reports the service to be inoperative but declines to release it for testing and repair, the service is deemed to be impaired but not interrupted.

(8). If the customer elects to use another means of communicating during the period of interruption, the customer must pay the charges for the alternative service used.

(9). If a facsimile transmission is interrupted due to deficiencies in COMPANY's service, a credit allowance will be given in an amount equal to the charge applicable to the transmission of one (1) page of material at the time the transmission was affected, using the class of service chosen by the customer and the terminal types involved in the transmission.

(10). Notwithstanding the foregoing provisions of this paragraph, COMPANY shall not be liable for any consequential, special, indirect or incidental damages.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

7. **LIABILITY/CREDIT ALLOWANCES (Cont'd)**

D. COMPANY shall be indemnified, defended and held harmless by the customer or by others authorized to use a COMPANY service against all claims of loss or damage arising from the use of furnished service(s) provided herein, including:

(1). claims for libel, slander, invasion of privacy, or infringement of copyright arising out of the material, data, information, or other content transmitted via a COMPANY service;

(2). patent infringement claims arising from combining or connecting a COMPANY service with apparatus and systems furnished by the customer or other; and

(3). all other claims arising out of any act or omission of the customer or other, in connection with any service provided by COMPANY

E. COMPANY shall not be liable for any act or omission of any Connecting Carrier or any other company or companies furnishing a portion of the service, or for the damages associated with service, channels, circuits or equipment which COMPANY does not furnish, or for damages which result from the operation of customer-provided systems, equipment, facilities or services which are interconnected with COMPANY's service.

F. COMPANY does not guarantee or make any warranty with respect to service installations at locations at which there is present an atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such installations. The customer and authorized user shall indemnify and hold COMPANY harmless from any and all loss, claims, demands suits, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the customer or by any other party, for any personal injury to, or death of, any person or persons, and for any loss, damage, or destruction of any property, whether owned by the customer or others, caused or claimed to have been caused, directly or indirectly by the installation, operation, location or use of service furnished by COMPANY at such locations.

F. COMPANY is not liable for any defacement of, or damage to, the premises of a customer resulting from the furnishing for service, or the attachment of instruments, apparatus and associated wiring by COMPANY on such customer's premises or from the installation or removal thereof, when such defacement or damage is not the result of COMPANY's negligence. No agents, or employees of other participating carriers or Connecting Carriers shall be deemed to be agents or employees of COMPANY.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)**7. **LIABILITY/CREDIT ALLOWANCES (Cont'd)**

G. COMPANY shall not be liable for the customer's failure to fulfill its obligation to take all necessary steps, including, without limitation, obtaining, installing, and maintaining all necessary equipment, materials and supplies for interconnecting the terminal equipment or communications system of the customer, or any third party acting as its agent, to the COMPANY network. The customer shall secure all licenses, permits, rights-of way, and other arrangements necessary for such interconnections. In addition, the customer shall ensure that its equipment and/or system or that of its agent is properly interfaced with COMPANY's service, that the signals emitted into the COMPANY's network are of the proper mode, band width, power, data speed and signal level for the intended use of the customer and in compliance with the criteria established by COMPANY and that the signals do not damage COMPANY's equipment, injure its personnel, or degrade service to other customers. If the customer or its agents fail to maintain and operate its equipment and/or system or that of its agent properly, with resulting imminent harm to COMPANY's equipment, personnel, or the quality of service to other customers, COMPANY may, upon notice to the customer, require the use of protective equipment at the customer's expense. If this fails to produce satisfactory quality and safety, COMPANY may, upon notice to the customer, terminate the customer's service without liability.

8. **MINIMUM SERVICE PERIOD**

The minimum period for service, unless otherwise stipulated in applicable long-term service agreement(s) or contract(s) or as outlined in paragraph 4. of this tariff for more frequent billing, is thirty (30) days.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

9. **CANCELLATION BY CUSTOMER**

A. Service may be canceled by a customer by providing thirty (30) days written notice to COMPANY, or upon expiration date of any applicable long-term service agreement or contract.

B. If a customer orders service requiring special facilities dedicated to the customer's use and then cancels the order prior to the start of any design work or installation of facilities, the customer receives no charges.

C. Where installation of special facilities has been started prior to the cancellation, all non-recoverable charges incurred by COMPANY, expressly on behalf of the customer, shall be borne by the customer.

D. If cancellation is requested after completion of an installation, but before service begins or before completion of the minimum period, or before completion of some other time period mutually agreed upon, the customer shall be liable for all non-recoverable expenditures or liabilities incurred by COMPANY on behalf of the customer and not fully reimbursed by installation and/or monthly service charges.

10. **CANCELLATION BY COMPANY**

Pursuant to ACC rules, COMPANY will not discontinue service to customers without ten (10) days prior written notice, except for the following reasons:

A. Conditions of immediate danger to life, physical safety, or property.

B. Upon order of the Commission, any court or any other duly authorized governmental or public authority having jurisdiction.

C. Service was obtained fraudulently or without the authorization of COMPANY or is being used, or suspected of being used for fraudulent purposes.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

11. INTERRUPTION OF SERVICE

A. COMPANY will avoid and restore interruptions of service in compliance with and pursuant to ACC rules.

B. Credit allowance for interruptions of service which are not due to COMPANY'S testing or adjusting, the negligence of the customer, or the failure of channels, equipment, and/or the communications system provided by the customer, are subject to the general "Liability" provisions set forth in paragraph 7 herein. It shall be the obligation of the customer to notify COMPANY of any interruptions in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by an action or omission of the customer, is not within the customer's control, or is not in the wiring or equipment connected to the terminal of COMPANY

12. RESTORATION OF SERVICE

The use and restoration of service in emergencies shall be in accordance with Part 64, subpart D, of the Federal Communications Commission's Rules and Regulations, which specifies the priority system for such activities, and in compliance with ACC rules.

13. INSPECTIONS

COMPANY may, upon reasonable notice, make such tests and inspections as may be necessary to determine that the requirements contained herein are observed.

14. TESTING AND ADJUSTING

Upon reasonable notice, the circuits provided by COMPANY and/or its Connecting Carriers shall be made available to COMPANY and/or its Connecting Carriers for such tests and adjustments as may be necessary to maintain them in satisfactory condition. COMPANY shall have no liability to customers for time during which such tests and adjustments are/were made.

15. SPECIAL CUSTOMER ARRANGEMENTS

In cases where a customer requests special arrangements which may include engineering, installation, construction, facilities, assembly, purchase or lease of facilities, and/or other special services not offered under this tariff, COMPANY, at its option, may provide the requested services. Appropriate recurring and/or non-recurring charges will be developed accordingly.

16. RESERVED FOR FUTURE USE

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

17. CUSTOMER INQUIRIES AND COMPLAINTS

A. Customer inquiries regarding service or billing may be made in writing or by telephone to COMPANY's Customer Service Center at the following address and toll-free telephone number:

TOUCH AMERICA SERVICES, INC.
P.O. Box 5207
Missoula, Montana 59806
Toll-Free Customer Service Telephone - (800) 823-4664

B. COMPANY Customer Service Personnel will respond either in person or via telephone as soon as possible but no later than 24 hours from receipt of inquiry.

C. Any unresolved disputes may be directed to the attention of the External Affairs Office of the Arizona Corporation Commission by calling (800) 222-7000 or by writing to: ACC, 1200 West Washington, Phoenix, AZ 85007-2996.

D. In the event of a dispute concerning an invoice, the customer must pay a sum equal to the amount of the undisputed portion of the bill and notify the Company of the disputed portion.

18. NOTICES

A. Consistent with the notice requirements in Paragraph 10 of this tariff, any notice COMPANY may give to a customer must be in writing given to the customer or his/her authorized representative, or mailed to the customer's billing address or to any such address as may be subsequently given by the customer to COMPANY in accordance with ACC rules.

B. Unless otherwise provided by these rules, any notice from any customer may be given to COMPANY orally by the customer, or any authorized representative, at COMPANY's business offices, or by written notice mailed to the address given in paragraph 17.A. of this tariff.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)**19. PAYMENT AND BILLING**

A. Service is provided and billed on a Monthly (30-day) basis unless certain conditions apply as cited in paragraphs 1.E. and 4.A. of this tariff. Service continues to be provided until canceled by the customer or COMPANY pursuant to paragraphs 9. and 10. of this tariff.

B. The customer is responsible for payment of all charges for services furnished to the customer or its authorized users. Non-recurring charges are payable when the service(s) for which they are specified have been performed. If an entity other than COMPANY, e.g., another carrier or supplier, imposes charges on COMPANY in addition to its own internal costs, in connection with a service for which a COMPANY non-recurring charge is specified, those charges will be passed on to the customer. Usage charges are billed after each usage cycle, on not less than a monthly basis based on billing cycles designated by COMPANY, unless certain conditions apply as cited in paragraphs 1.E. and 4.A. of this tariff.

C. A customer of COMPANY 800 Inbound Service is responsible for payment for all calls placed on or via the customer's 800 Inbound Service number(s). This responsibility is not changed by virtue of any use, misuse, or abuse of the customer's service or customer-provided systems, equipment, facilities or services interconnected to the customer's 800 Inbound Service, which use, misuse or abuse may be occasional by third parties, including, without limitation, the customer's employees and members of the public who dial the customer's 800 Inbound Service by mistake or in an effort to illegally use the service.

D. The customer will be billed for and is liable for payment of all applicable Federal, State, County, Municipal and/or Local taxes which will be listed as separate line items and which are not included in the quoted rates.

E. ALL COMPANY bills are due and payable upon receipt and are considered past due if not paid within thirty (30) days after the due date. Pursuant to ACC Rule, the due date shown on the bill will be at least ten (10) days after the date of bill issuance or 5 days after the date of mailing whichever is later.

F. No deposits are required for services provided under this tariff unless COMPANY determines that a security deposit or advance payment is necessary pursuant to Section 20.

G. The customer is responsible for any and all charges for services not provided by COMPANY.

H. Calls that begin in one rate period and end in another will be billed in each rate period respectively, except for international calls, which calls are billed at the rate applicable to the originating time period.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

19. PAYMENT AND BILLING (Cont'd)

I. A late payment finance charge of 1% for residential class of service and 1.5% for business class of service will be assessed on all bills not paid within thirty (30) days after the date due date on the billing statement. This finance charge shall appear on all subsequent statements and accrue accordingly until paid in full.

J. While charges set forth herein for installation work contemplate installations in normal locations under normal conditions, installations to be made under other circumstances may be subject to additional charges. For dedicated facilities, installation charges may vary depending upon the Local Exchange Company and the location of the customer. In any even, all installation charges, including Local Exchange Company charges to be passed through to the customer, will be established and itemized in writing, acknowledge and authorized by customer signature prior to installation. The customer may verify and all pass through LEC facility charges by contracting respective Local Exchange Company. As outlined in paragraph twenty-one (21) of this tariff, COMPANY will pass actual LEC facility charges through to the customer.

K. One (1) copy of each monthly billing will be supplied to each customer without charge. An additional copy will also be supplied upon the customer's request without charge if the additional copy is mailed by COMPANY in the same envelope with the original bill. Upon customer's request, COMPANY will also mail copies of its bill to one or more additional addresses at a charge of \$5.00 per bill per month.

L. If a customer whose account has been closed has a credit balance showing due to overpayment, COMPANY will transfer the credit to another account of the customer, if there is one. If not, COMPANY will mail a check for the balance to the customer if it believes it has a valid address. If COMPANY is not certain it has a valid address, it will either include a notice with the final invoice, which will be mailed to the customer's last known address, asking the customer to verify the address so that a refund can be processed; or, it will contact the customer at the address and request verification. Such verifications can be made by calling a designated telephone number or by writing to a specified address. Upon receiving verification, a check for the balance will be mailed. If the final invoice or notification letter is returned by the post office as undeliverable, or if no response is received within thirty (30) days of mailing, COMPANY will begin a closed account maintenance charge of \$2.50 per month in the second monthly billing period following the month in which the account was closed. COMPANY will continue to apply that charge until the customer requests a refund or the balance is exhausted.

M. A charge of \$15.00 per item will be applied to any check returned for insufficient funds, no signature, account closed or if payment is stopped.

N. The name(s) of the customer(s) desiring to use the service must be set forth in the application for service or the Service Agreement.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

19. PAYMENT AND BILLING (Cont'd)

O. In the event of a dispute between the customer and COMPANY concerning any bill, COMPANY may require the customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. COMPANY shall thoroughly investigate the circumstances and report the results to the customer. If the dispute is not reconciled to the customer's satisfaction, COMPANY shall advise the customer, pursuant to ACC rules and in accordance with paragraph 17 of this tariff, that said customer may file a complaint with the Commission for disposition of the matter.

20. SECURITY DEPOSIT/ADVANCE PAYMENT

A. Security Deposit. Applicants for service or existing customers whose financial condition is not acceptable to COMPANY, or is not a matter of general knowledge, may be required at any time to provide COMPANY a security deposit, in cash or equivalent of cash, up to any amount equal to the applicable installation charges, if any, and/or up to two (2) months' actual or estimated usage charges for the service to be provided. If actual usage data is available for the customer at the same or similar premises, the deposit amount shall be calculated using the customer's average bill for the most recent twelve (12) month period. If actual usage data is not available, the deposit amount shall be based on the average bills of similar customers and premises in the system. In no event, however, will a deposit exceed two (2) month's actual or estimated usage as calculated above. In all cases, applicants and existing customers shall be treated uniformly for the determination and application of deposits. If a customer fails to pay for service or equipment, the deposit will be applied to the outstanding balance.

B. Advance Payment. Applicants or customers required to provide a security deposit pursuant to paragraph 20.A. may also be required, at any time, whether before or after the commencement of service, to provide such other assurances of, or security for, the payment of COMPANY's charges for its services as COMPANY may deem necessary, including, without limitation, advance payments for service, third party guarantees of payment, pledges or other grants of security interests in the customer's assets, and similar arrangements. The required deposit or other security may be increased or decreased by COMPANY as seems appropriate in the light of changing conditions. In addition, COMPANY shall be entitled to require such payments in cash or the equivalent of cash.

C. Interest. In case of a cash deposit, simple interest at the rate of

4% annually for calendar year 2002

will be paid for the period during which the deposit is held by COMPANY, unless a different rate has been established by the appropriate legal authority in the jurisdiction in which the COMPANY service is provided. At COMPANY's option, such deposit may be refunded to the customer's account at any time. In any event, deposits or remaining balance thereof will be returned upon termination of service.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****21. TOLL FREE SERVICE**

A. A call begins when call termination is received by or passes through customer premises equipment. It is the customer's responsibility to pass appropriate answer supervision back to the COMPANY point of connection.

B. If a customer of COMPANY's Toll Free service is found to be non-compliant in passing back appropriate answer supervision, COMPANY reserves the right to suspend and/or deny service. COMPANY shall give the customer 3 days notice of intent to suspend or deny service due to such non-compliance.

C. The customer shall be liable for all costs and toll charges associated with their 800 service, including unauthorized calls associated with the use of 800 service obtained from COMPANY including, but not limited to, calls made using COMPANY's Toll Free service when such calls are in any way routed through the customer's location. Customers shall maintain sole responsibility for the security of 800 number(s) issued to them.

D. Nothing in this section, or in any other provision of this tariff, or in any marketing materials issued by the company, shall give any customers who have reserved 800 telephone numbers hereunder or customers who subscribe to and use COMPANY Toll Free services, or their transferees or assignees, any ownership interest or proprietary right in any particular 800 service telephone number.

E. Customers (including carrier customers) are prohibited from using any telephone numbers beginning with an 800 service code, or any other number advertised or widely understood to be toll free, in a manner that would result in; (a) the calling party or the subscriber originating line being assessed by any fee or charge virtue of completing the call; (b) the calling party being connected to a pay-per-call service; (c) the calling party being charged for information conveyed during the call unless the calling party has a pre-subscription or comparable arrangement; or (d) the calling party being called back collect for the provision of audio or data services, simultaneous voice conversation services, or products. The customer shall be afforded a period of no less than seven (7) days and no more than fourteen (14) days during which a violation may be brought into compliance. 800 service not in compliance with the above regulations at the expiration of such period may be terminated immediately.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

21. TOLL FREE SERVICE (Cont'd)

F. The customer must obtain an adequate number of access lines associated with COMPANY's Toll Free services to handle the customer's expected demand in order to prevent interference or impairment of this service or any other service provided by COMPANY taking into account (1) call volume; (2) average call duration; (3) time-of-day characteristics; and (4) peak calling periods. The company, without incurring any liability, may disconnect or refuse to furnish COMPANY's Toll Free services to any customer that fails to comply with these conditions. In case of disconnection, the customer will be notified at least five (5) days in advance of the disconnect. The customer will be responsible for all charges incurred as well as any access charges COMPANY may incur as a result of the customer's failure to comply within the above conditions.

G. A customer is responsible for all charges for use of the COMPANY network arising from calls placed to the Customer's COMPANY Toll Free service. An applicant for COMPANY 800 service may be required to supply the following when requesting service: an initial traffic forecast, identification of its geographical marketing target areas, and a schedule of marketing and promotional activities. A new tariff forecast shall be submitted quarterly after service is initiated. Customers of COMPANY Toll Free service may not use Automatic Number Identification (ANI), provided by COMPANY incidental to the furnishing of COMPANY Toll Free service, to invoice, either directly or indirectly, their customer in connection with their furnishing of other than common carrier services.

H. The new prefixes "888" and "877" for the purpose of this tariff, apply to all COMPANY's existing 800 services, rates, and rules and regulations that governs all COMPANY's 800 service.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****22. ADMINISTRATION OF TOLL FREE NUMBERS**

A. COMPANY will accept a prospective customer's request for a particular COMPANY 800 service telephone number. Up to a total of ten (10) such numbers may be requested. COMPANY will accommodate each request to the extent possible. If a requested number(s) can be assigned to a prospective customer, COMPANY will so notify the customer and will reserve it for the customer's use for a 59-day period. If, at the end of the 59-day period, the prospective customer has not subscribed to COMPANY's 800 service using a reserved number(s), COMPANY in accordance with its procedures, may make the reserved number available for use by another customer.

B. In its capacity as Resp. Org., COMPANY will reserve, assign, activate or change, upon receipt of a verified request, 800 numbers for a customer or prospective and will administrator 800 numbers, in accordance with customary industry standards and practices, the terms of this tariff, and the effective procedures of the 800 Service Management System (SMS) database administration. Customers may request, reserve, or assign or activate 800 numbers on their own behalf, or a customer which resells COMPANY inbound transmission services may request, reserve, assign, or activate 800 numbers on behalf of a customer or prospective customer of such reseller. A customer who resells COMPANY inbound transmission services must provide to any customer or potential customer, upon reasonable request therefore, concerning the status of a particular 800 number or numbers in which the customer or potential customer has interest and, if applicable and available the identity of the Resp. Org.(s) for the 800 numbers. If an existing or prospective COMPANY customer decides not to utilize the reserved, assigned, or activated 800 number(s), the customer must notify COMPANY within 48 hours so that COMPANY may release the 800 number to the pool of numbers available for assignment in accordance with industry practice and standards.

C. 800 numbers are incidental to the inbound calling service with which they are associated and, as such, may not be sold, transferred or otherwise conveyed independent of inbound transmission service. The assignment of an 800 telephone number(s) for use with company-provided inbound transmission service confers on the customer no proprietary interest what so ever in the number(s) assigned. It shall be a violation of this tariff if the customer seeks to acquire, or does acquire, any 800 numbers associated with inbound service provided by the company for the primary purpose of selling, brokering, bartering, or releasing for a fee (or other consideration) to another party that 800 number, independent of the COMPANY service with which it is associated. In any instance in which the company learns that a customer or prospective customer is attempting to sell or otherwise transfer or assign an 800 number to another person, in violation of this tariff, COMPANY may immediately and without notice release the number from reserved status, or it may immediately upon written notice to the customer discontinue the furnishing of service via the 800 number. The COMPANY telephone number forfeited as a result of the impermissible or reassigned to the undertaking will not be reserved for the prospective customer or reassigned to the customer under any condition or circumstance by COMPANY.

D. Each 800 service telephone number must be placed in actual and substantial use by the customer.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

23. OPERATOR SERVICES - COMPANY OBLIGATIONS

A. When providing Operator Services to Aggregators, COMPANY will:

- (1). Notify the End User of the operator services carrier handling the call;
- (2). Inform the End User, upon request, of the rates to be charged and explain the method of billing, at no charge;
- (3). Not charge for unanswered or incomplete telephone calls;
- (4). Withhold payment of commission or other compensation to a subscriber who engages in blocking 800, 950 and 10XXX access calls;
- (5). Rate and bill calls from their actual point of origination, unless the End User consents to a different arrangement.

B. All 0- or 911 emergency calls will be immediately defaulted to the LEC for proper handling.

24. OPERATOR SERVICES - AGGREGATOR OBLIGATIONS

A. An operator service subscriber is required to post information (tent cards) on or near the telephone notifying the End User of the following:

- (1). The Company's name, address, and toll-free number;
- (2). A statement disclosing that the rate information is available upon request and that the End User has the right to access another carrier and obtain instructions from the preferred carrier on receiving access;
- (3). The address of the Federal Communications Commission's Common Carrier Bureau's Enforcement Division will be posted for End Users wishing to file operator services complaints related to interstate calls, and the address of the Commission for intrastate calls.

B. Aggregators are prohibited from blocking 800, 950 and 10XXX access calls on presubscribed telephones. An aggregator shall not charge higher rates for calls accessing the operator service provider via 800, 950 and 10XXX numbers than those rates charged for calls using the presubscribed operator service provider.

C. The operator service subscriber must provide TOUCH AMERICA with current local emergency numbers for police, fire and ambulance for each location.

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SECTION 2. RULES AND REGULATIONS (Cont'd)

25. OPERATOR SERVICES - BILLING ARRANGEMENTS

A. Collect, Calling Card, and Charge Third Party Calls

Charges for calls of this type will be included on the user's or called or third party's regular home or business telephone bill pursuant to billing and collection agreements established by COMPANY or its intermediary with the applicable telephone company.

B. Credit Card Calls

Charges for credit card calls will be included on the user's regular monthly statement from the card-issuing company.

C. Room Charge Calls

When requested by the user, and authorized by the subscriber, the charges may be provided for inclusion on the hotel or motel bill of the user. In such cases, COMPANY will provide a record of the call detail and charges to the hotel or motel for such billing purposes.

D. Validation of Credit

COMPANY reserves the right to validate the credit worthiness of users through available credit card, calling card, call number, third party telephone number and room number verification procedures. Where a requested billing method cannot be validated, the user may be required to provide an acceptable alternate billing method or COMPANY may refuse to place the call.

E. Contested Charges

For consideration of any disputed charge, a user must submit in writing to COMPANY, within 30 days of the date the bill is issued, the call details and the bases for any requested adjustment. COMPANY will promptly investigate and advise the user as to its findings and disposition. Any undisputed charges must be paid on a timely basis.

F. Billing Entity Condition

When billing functions on behalf of COMPANY are performed by local exchange telephone companies, credit card companies or others, the payment of charge conditions and regulations of such companies apply, including any applicable interest and/or late payment charge conditions.

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26. RESERVED FOR FUTURE USE

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

27. **ROUNDING METHODS**

A. **Term Definitions:**

(1). **Charge Element Rounding:** The rounding of seconds for the initial and incremental periods of one call.

(2). **Call Rounding:** The rounding of cents for the initial and incremental periods of one call.

B. **Rounding methods for computing charges:**

(1). **Bulk Rounding:** Bulk rounding method rounds to the nearest fraction of a number, and retains those fractions from call to call until a whole number is accumulated, then that number is added to whatever call is hit when the (call) fractions total one (whole) number.

(2). **Rounding Up:** Rounding up method rounds the second digit to the right of the decimal point up one value if the value of the third digit to the right of the decimal point is greater than zero.

(3). **Standard Rounding:** Standard rounding determines if the third digit to the right of the decimal point is greater than 5, then the number will be rounded up; if the number is less than 5, no rounding will occur.

C. **Rounding Applications:**

(1). All charge elements for new products will be rounded up; all initial seconds and increments will be rounded using the Rounding Up method.

(2). All call rounding will be as follows:

Intrastate Usage

Bulk Rounding

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****28. THIRD PARTY MARKETING PROMOTION**

A. The Company may from time to time enter into agreements with third parties to market COMPANY services. Subsequent to entering into such agreements, COMPANY may pay commissions to the third party marketing entity for qualifying monthly usage revenues generated by COMPANY customers to whom the third party has marketed COMPANY service(s). The actual level of commissions to be paid will be dependent on the nature and extent of activities engaged in by the third party on COMPANY's behalf including, without limitation, initial sales efforts, order coordination and processing, customer service, service problem determination and resolution, billing coordination, billing dispute resolution, and collection or guarantee of collection of the amounts billed to COMPANY customers enrolled by the third party. The commission payments may be remitted by the third party, in whole or in part, and in its sole discretion, to customers to whom it has marketed COMPANY service(s).

B. Within a Third Party Marketing Promotion, COMPANY may waive its portion of installation charges on voice and data basic digital service and switched long distance services for all customers enrolled by a third party.

29. DEDICATED SERVICE

A. Upon request and signing up for one of COMPANY's dedicated access line services (DAL), the DAL customer will have the option of utilizing one of COMPANY's switched services until such time as the Customer's DAL service is installed and made available.

B. COMPANY will then credit the customer the difference between the switched product rates and the applicable DAL rates after the DAL service is installed and billing. The credit would only be for the period beginning with the first date the customer is willing to accept installation of the DAL and the actual date the DAL is installed. The credit will be given on the customer's second month's DAL bill received from COMPANY.

30. INFORMATION PROVIDER DATA

A Service Bureau shall promptly furnish to COMPANY, and keep current on a continuing basis, the name, address and customer service telephone number(s) of the Providers to whom it provides service. Where an Provider directly subscribes to COMPANY's service, it shall promptly furnish to COMPANY, and keep current on a continuing basis, its name, address and customer service telephone number(s).

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)**31. LINE SEIZURE

No provider of pay-per-call services subscribing to COMPANY's service under this tariff shall use automatic dialing devices which deliver a recorded message to the called party unless the device releases that called party's telephone line promptly but in no event longer than current industry standards.

32. ANSWER SUPERVISION

Answer supervision must be provided when an COMPANY service offering is connected to switching equipment or a customer-provided communications system. The equipment or system must provide answer supervision so that the measure of chargeable time begins upon the delivery of the customer COMPANY call to the switching equipment or to the equipment connected to the communications system and ends upon termination of the call by the calling party. If a customer's communications system fails to promptly return to COMPANY an idle (on-hook) state upon completion of the call, the customer will be held responsible for all charges that result up until the time the customer's communication system signals COMPANY's network that the call has been terminated or until such a time that COMPANY's own system terminates the call.

33. RESTRICTIONS

Providers of pay-per-call services subscribing to COMPANY transmission services, including 900 service, must comply with all requirements of: (a) Titles II and III of the Telephone Disclosure and Dispute Resolution Act (Pub. L. No. 102-556) (TDDRA); and all requirements of: (b) the regulations prescribed by the Federal Communication Commission and the Federal Trade Commission pursuant to those Titles. The company shall terminate programs, which utilize 900 service if the programs are not in compliance, following written notice to the provider. The provider shall be afforded a period of no less than seven (7) days and no more than fourteen (14) days during which a program may be brought into compliance. Programs not in compliance at the expiration of such period shall be terminated immediately.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****34. SPECIAL ACCESS SURCHARGE**

A. A monthly special access surcharge, required by the Local Exchange Carrier (LEC), applies to each local channel termination associated with Channel Service and Foreign Exchange Service Capability. This monthly surcharge is applicable when the local channel is connected to a PBX or equivalent device, which is capable of interconnecting the Channel Service or Foreign Exchange Service Capability with local exchange service. When analog or digital high capacity facilities interconnect with the local exchange network, the special access surcharge is applied on a per voice grade equivalent circuit basis as shown in the following example:

<u>Basic digital Facility</u>	<u>Voice Grade Equivalent</u>	<u>Monthly Surcharge</u>
Circuits	X \$25	Per Circuit
Group	12 X \$25 =	\$300.00
DSI	24 X \$25 =	\$600.00

B. The special access surcharge applies on each local channel termination installed whether the interconnection capability exists in the customer's premise equipment or in a Centrex CO type switch.

C. The customer may be exempt from the monthly special access surcharge if:

(1). The customer certifies in writing that the local channel terminates in a device not capable of interconnecting the service with the local exchange network; or

(2). The customer certifies that the local channel termination, by nature of its operating characteristics, could not make use of LEC common lines; or

(3). The customer certifies that the local channel is connected to a LEC's switched access service that is subject to carrier common line charges.

D. The certification will be in the form of a written notification to the Company. The notification may be provided:

(1). At the time the service is ordered; or

(2). At such time as the service is re-terminated to a device not capable of interconnecting to the local exchange network; or

(3). At such time as the local channel becomes associated with a switched access service that is subject to carrier common line charges.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****34. SPECIAL ACCESS SURCHARGE (Cont'd)**

E. If a written certification is not received at the time an order for new service is placed, the special access surcharge will be applied. COMPANY will cease billing the special access surcharge and the exempt status will become effective on the date certification is received by COMPANY on services in place. If the status of the basic digital facility was charged prior to the receipt of the exemption certification, COMPANY will credit the customer's account, not to exceed ninety (90) days, based on the effective date of the change specified by the customer in the letter of certification.

35. GROSS RECEIPTS TAX

A surcharge will be imposed on all charges for outbound service originating at, or inbound service terminating at, addresses in states which levy, or assert a claim of right to levy, a gross receipts tax on COMPANY's operations in any such state, or a tax on interstate access charges incurred by COMPANY for originating access to telephone exchanges in that state. This surcharge is based on the particular state's receipts tax and other states receipts taxes imposed directly or indirectly upon COMPANY by virtue of and measured by the gross receipts or revenues in that state and /or payment of interstate access charges in that state. The surcharges will be shown as a separate line item on the customer's invoice.

36. TELECOMMUNICATIONS SERVICE PRIORITY PROVISIONING AND RESTORATION OF SERVICE

The provisioning and restoration of service in emergencies shall be in accordance with Part 64, Subpart D, Appendix A of the Federal Communications Commission's Rules and Regulations, which specifies the prioritization for such activities.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****37. TOLL-FREE SERVICE ASSURANCE GUARANTEE**

A. If a Toll-Free line provided by COMPANY to the Customer is subject to a Service Disruption, COMPANY will, within 15 minutes of the exact time of completion of the Confirmation Process, reroute traffic from the Affected Toll-Free Line to any working number: (i) terminating in forty-eight (48) contiguous United States Domestic U.S.); and, (ii) which is provided by COMPANY to the Customer. If COMPANY fails to reroute such traffic within fifteen (15) minutes after completion of the Confirmation Process (A Toll-Free Line Outage), COMPANY will credit to the Customer's account an amount equivalent to the lesser of: (i) one hundred percent (100%) of the usage for the Affected Toll-Free Line for the entire month in which the Toll-Free Line Outage occurred; or, (ii) one hundred ten percent (110%) of the usage for the Affected Toll-Free Line in the month prior to the month in which the Toll-Free Line Outage occurs.

(1). Service Disruption is defined as a degradation in the performance of a toll-free line provided by COMPANY to the Customer (Affected Toll-Free Line) which completely disallows COMPANY from terminating calls to such Affected Toll-Free Line.

(2). The Confirmation Process is defined as (i) the Customer's telephonic notification to an COMPANY Customer Service Representative of a Service Disruption and the furnishing by the Customer of certain information (including the Customer's name and address, the Customer's COMPANY account number and the Affected Toll-Free Line, the service subscribed to by the Customer and the approximate time the Service Disruption began; and, (iii) acknowledgment from such COMPANY Customer Service Representative that traffic to the Affected Toll-Free Line will, in accordance with the terms of this Guarantee, be rerouted within 15 minutes of the conclusion of the Customer's telephone call to COMPANY.

(3). The credit will be applied within sixty (60) days of the Service Disruption. The credit will be calculated based on all calls to the Affected Toll-Free Line(s) and applied to the Customer's interstate usage.

(4). COMPANY is guaranteeing only that calls will be rerouted within 15 minutes upon completion of the Confirmation Process, not that service will be restored to the main location in that timeframe. COMPANY's only obligation under this Guarantee is to issue the appropriate credit as described above.

(5). A maximum of five (5) affected toll free numbers per Customer, per occurrence will be covered under this Guarantee.

(6). The customer is required to designate and provide to COMPANY a working telephone number with enough capacity to handle the rerouted traffic. COMPANY will not be responsible or liable for uncompleted calls due to problems with the working telephone number or insufficient capacity or number of lines at the working telephone number designated by the Customer.

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ORIGINAL**SECTION 2 - RULES AND REGULATIONS (Cont'd)****37. TOLL-FREE SERVICE ASSURANCE GUARANTEE (Cont'd)**

(7). The Toll-Free Service Assurance Guarantee shall not apply for the following:

(a). a Service Disruption is caused by the negligence, errors, or omission of the affected Customer or others authorized by the Customer to use the Customer's service;

(b). a Service Disruption is caused due to the failure or malfunction of any power, equipment, service, or systems not provided directly by COMPANY;

(c). a Service Disruption occurs during any period in which COMPANY or its agents are not afforded access to the premises where access lines associated with the Affected Toll-Free Line is terminated; provided, however, that such access is needed to prevent Service Disruption;

(d). a Service Disruption occurs during any period when the Customer has released the service to COMPANY for maintenance or rearrangement purposes, or for the installation or de-installation of a Customer order;

(e). a Service Disruption occurs during a period when the Customer elects not to release the service(s) for testing and/or repair and continues to use it on an impaired basis;

(f). a Service Disruption occurs due to network busy conditions;

(g). a Service Disruption non immediately/promptly reported to COMPANY;

(h). a Service Disruption is caused by the failure of an underling local exchange carrier or third party carrier of local, switched and/or dedicated service that COMPANY relies on to provide service to the Customer;

(i). a Service Disruption is caused by the failure of the National SMS 800 database and/or system;

(j). COMPANY is not the Responsible Organization (Resp Org) for the Affected Toll-Free Line;

(k). The on-line portion in a Multi-carrier situation;

(l). The Customer is utilizing COMPANY's Toll-Free Verified and Non-verified PAC, GeoRouting, or Menu Routing services;

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

37. TOLL-FREE SERVICE ASSURANCE GUARANTEE (Cont'd)

(7). Cont'd.

(m). a Service Disruption caused by the Customer's use of COMPANY services in any unauthorized or unlawful manner; and/or,

(n). a Service Disruption is caused by or resulting from a *force majeure* event beyond the reasonable control of COMPANY including, but not limited to, an act of God, government regulations, or national emergency.

38. CUSTOMER SATISFACTION GUARANTEE

Except as set forth below, customers who sign a term agreement with COMPANY and terminate service prior to the expiration of their term agreement will be held responsible for all early termination charges as set forth in the agreement.

Customers who have entered into a term agreement for COMPANY service may terminate their agreement with COMPANY prior to the expiration of the term without liability for early termination charges (except as set forth herein) if COMPANY fails to provide billing and/or transmission services in accordance with industry standards within thirty (30) days after receipt of written notification from the customer specifying that an COMPANY billing and/or transmission service deficiency exists and issuance of an COMPANY trouble ticket. If the Customer terminates a term agreement because COMPANY is unable to cure an COMPANY billing and/or transmission service deficiency within thirty (30) days of receipt of the Customer's written notice and issuance of a trouble ticket, the customer will be entitled to receive:

A. A prorated portion of any tariffed discounts and/or credits that the customer would have been entitled to receive based on the portion of the term that has expired; and

B. Reimbursement for actual and applicable installation costs associated with switching it back to its previous long distance carrier. COMPANY will credit Customers utilizing switched access services an amount equal to the applicable Primary Interexchange Carrier (PIC) change charge actually incurred and paid by the Customer up to a maximum of \$10.00 per line. COMPANY will credit Customers utilizing dedicated access services an amount equal to the applicable installation charges actually incurred and paid by the Customer up to a maximum of \$200.00 per DS-0 line and a limit of 100 DS-0 lines. In order to qualify for this offering, the Customer must, within sixty (60) days of sending written notice of termination to COMPANY, submit invoices documenting the actual installation charges for which it seeks a credit.

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SECTION 2 - RULES AND REGULATIONS (Cont'd)

38. **CUSTOMER SATISFACTION GUARANTEE (Cont'd)**

In order to qualify for this guarantee, the Customer must notify COMPANY in writing of its intent to cancel its COMPANY service thirty (30) days prior to the requested termination date. Written notification must be sent to:

Touch America Services, Inc.
Attention: Cancellation Notification
P.O. Box 5207
2685 Palmer
Missoula, Montana 59806

Note: This guarantee excludes international frame relay and international private line services.

39. **MINIMUM USAGE COMMITMENT**

Where specifically allowed in the tariff, for those COMPANY services which provide a discount based upon the customer's commitment to use a minimum amount of COMPANY services per month, COMPANY will count the customer's total use of COMPANY services, except charges that have been specifically excluded under this tariff, in determining whether the customer satisfies the minimum usage requirement.

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ORIGINALSECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES1. AUDIO TELECONFERENCING

A. General Description: Audio Teleconferencing permits three (3) or more customers located within the State to be connected. COMPANY offers its customers the following four (4) Audio Teleconferencing services:

1. Operator Assisted Conferencing Calling**
2. 800 Meet Me**
3. Local Meet Me**
4. Business Anywhere Conferencing ***

B. Billing Increments: All audio teleconferencing is billed in full minute increments.

C. Rates:

(1). Operator Assisted Conferencing Calling ("OACC")**
Bridging Cost*, per bridged minute \$0.43

(2). 800 Meet Me Conferencing**
Bridging Cost*, per bridged minute \$0.44

(3). Local Meet Me Conferencing**
Bridging Cost*, per bridged minute \$0.28

(4). Business Anywhere Conferencing***
NOTE: New Customer Discount and Volume discounts Do Not Apply
Bridging Cost*, per bridged minute \$0.25

* The Bridging Cost includes the rate associated with the long distance call.

** This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

*** Business Anywhere Conferencing is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**1. **AUDIO TELECONFERENCING (Cont'd)***D. **Volume Discount:** Discount is based on total Audio Conferencing charges.**Discount**

Total Monthly Usage Charges	Percent Discount
\$0.00 - \$500	0%
\$500.01 - \$1,000	4%
\$1,000.01 - \$2,500	8%
\$2,500.01 - \$5,000	12%
\$5,000.01 - \$10,000	16%
\$10,000.01 - \$15,000	18%
\$15,000.01 - \$20,000	20%
\$20,000.01 - \$25,000	22%
\$25,000.01 - +	24%

E. **New Customer Discount:** New Customers who have never used COMPANY'S Audio Teleconferencing service will receive a fifty (50) percent discount off of their first thirty (30) days of usage.

* See limitations on availability on Original Page No. 49.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****2. ENHANCED TOLL FREE INBOUND FEATURES***

A. General Description: Enhanced Toll Free Inbound Features are selected add on enhancements to all of COMPANY's commercial 800 Services: The following enhancements are available:

(1). Time of Day Routing: Customer can accept incoming calls on alternate numbers based on time-of-day.

(2). Day of Week Routing: Customer can accept incoming calls on alternate numbers based on day of week.

(3). Holiday Routing: Customer can accept incoming calls on alternate numbers based on holiday.

(4). Direct Terminal Overflow: Customer can forward incoming calls to predesignated local number if busy; (DAL customers only).

(5). Tailored Call Coverage: Customer can block calls from one 800 origination. Calls may be blocked by area code, area code/exchange, LATA, state, or 10 digit ANI.

(6). Dialed Number Identification: Customer can identify dialed number; (DAL customers only).

(7). % Allocation Routing: Routes calls placed on an 800 number up to 8 different terminating locations based on whole number percentages that add up to 100%.

(8). Alternative Routing: Customer can Activate Alternate Routing Plan.

(9). Real Time ANI: Allows dedicated access customers to receive the ANI of the calling party if the call originates from an equal access end office.

(10). Account Codes: Allows the customer to track usage of its 800 number back to specified user codes and/or to limit use of its 800 number to only those dialing authorized codes. Requires that additional digits be dialed after the regular 10-digit 800-number is dialed. Two types are available: verified and non-verified. With both types of codes, calls cannot be completed without entry of the specified codes. In addition, with the verified codes, calls are not completed until codes are verified for accuracy. As an option, Call Detail can be sorted by either verified or non-verified codes.

* Enhanced Toll Free services are available to all customers who purchase and maintain on their account Touch America dedicated voice service. This service is no longer available to new customers on a stand-alone basis. This service is offered on a grandfathered basis to existing customers.

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SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)

2. **ENHANCED TOLL FREE INBOUND FEATURES (Cont'd)***

(11). Geographical Routing: Allows the customer to arrange for calls to a single 800 service telephone number placed from different groups of originating locations to terminate to different locations. Originating locations may be identified using the NPA or by NPA/NXX*.

(12). 800 Directory Publication: Allows customers to publish their 800 number(s) in AT&T's 800 directory.

B. Availability: Enhanced Toll Free Features are available individually or in any combination for both existing and new commercial customers.

* Enhanced Toll Free services are available to all customers who purchase and maintain on their account Touch America dedicated voice service. This service is no longer available to new customers on a stand-alone basis. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****2. ENHANCED TOLL FREE INBOUND FEATURES (Cont'd)***

FEATURE	MRC	NRC	CHANGE	SURCHARGE
Extended Call Coverage	\$0.00	\$0.00	\$0.00	N/A
Industry Toll-free Directory	\$25.00 per toll-free number	\$25.00 per toll-free# for standard request, \$35.00 per toll-free# for expedited request	\$25.00 per toll-free number	N/A
Inbound Project Account Codes (PAC) switched and dedicated	\$15.00 per toll free number	\$15.00 per toll free number	\$15.00 per toll free number	N/A
Time of Day Routing	\$50.00 per toll free number	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Day of Week Routing	\$50.00 per toll free number	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Holiday Routing (Day of Year)	\$0.00	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Percent Allocation Routing	\$50.00 per toll free number	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Alternate Call Routing	\$50.00 per toll free number	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Geographic Routing	\$50.00 per toll free number	\$50.00 per toll free number	\$50.00 per toll free number	\$0.0005 per MINUTE
Direct Termination Overflow (DTO)	\$50.00 per trunk group	\$50.00 per trunk group	\$50.00 per trunk group	N/A
Tailored Call Coverage	\$0.00	\$50.00 per toll free number	\$50.00 per toll free number	N/A
Dialed Number Identification Service (DNIS)	\$0.00	\$350.00 per trunk group	\$50.00 per service order	N/A
Real Time ANI	\$0.00	\$350.00 per trunk group	\$50.00 per service order	N/A

* Enhanced Toll Free services are available to all customers who purchase and maintain on their account Touch America dedicated voice service. This service is no longer available to new customers on a stand-alone basis. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****3. TRUE RATE***

A. General Description: True Rate is a small business switched long distance service offering consisting of 1+ outbound, toll free inbound, and calling card services. The service has flat rates that are not associated with term or volume commitments. This service offering works well with both single locations and multiple location small businesses.

B. Billing/Rounding: Switched inbound and switched outbound rates are quoted in full minutes. Call rounding is six (6) second increments.

(1). Calling Card Billing: The Calling Card is billed in full minute increments.

C. Time Periods: Rates are for all time periods.

D. Terms and Agreements: True Rate is available in a month-to-month (MTM) term plan.

E. Renewals: Upon expiration of the initial term and subsequent renewal term(s), the Customer's Agreement will automatically renew for a like period, unless either party notifies the other in writing of its intention not to renew 30 days before the end of the agreed term. The automatic renewal will be for the same length and at the current tariffed rates in effect at the time of such renewal associated with the term and volume of the original Agreement.

F. Product Rates and Charges:

(1). TA True Rate Outbound and Inbound Usage Rates:

Term	Rate
MTM	\$0.075

(a). Payphone Use Charge: Payphone use charge applies to Toll-Free Inbound calls originating from payphones.

Payphone Use Charge	\$0.30
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(b). True Rate Enhanced Toll Free Features: True Rate offers enhanced toll free features for all True Rate Customers. See Section 3, paragraph 2 for details.

* True Rate is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES Cont'd)**3. TRUE RATE (cont'd)*

Enhanced Toll Free services monthly recurring and non recurring charges are waived for all Customers.

(2). True Rate Calling Card:

All time periods	\$0.20
Payphone Use Charge	\$0.30

* True Rate service is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**4. **HOME ANYWHERE***

A. **General Description:** TA Home Anywhere is a switched plan of long distance services available to residential customers. The Home Anywhere Option plans include the following services: 1+ outbound, toll-free inbound, and calling card services.

B. **Time Periods and Billing:** All Home Anywhere Option plans are billed in full minute increments and the rates are available 24 hours a day, 7 days a week.

C. **Services, Rates and Charges:**

Home Anywhere Options	Service	Rate	Monthly Service Charge
Option 1	1+ Outbound	\$0.09	None
	Toll-Free Inbound	\$0.14	
	Calling Card	\$0.20	
Option 2	1+ Outbound	\$0.08	\$2.50
	Toll-Free Inbound	\$0.12	
	Calling Card	\$0.18	
Option 3	1+ Outbound	\$0.07	\$4.95
	Toll-Free Inbound	\$0.10	
	Calling Card	\$0.16	

D. **Payphone Use Charge:** Payphone use charge applies to Calling Card and Toll-Free Inbound calls originating from payphones:

Payphone Use Charge	\$0.30
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E. **Availability:** The TA Home Anywhere is available to all residential customers.

* This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 – SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**5. **TA CASUAL CALLING***

A. **General Description:** TA Casual Calling allows residential customers to complete a long distance call between any two points. Service is available on a full-time basis, twenty-four (24) hours a day, seven (7) days a week with no monthly fee.

B. **Billing:** Casual Calling is billed in full minute increments.

C. **Rates:**

Weekday Rates	Weekend Rates
\$0.25	\$0.07

D. **Time Periods:**

Weekday Rates: Monday 12:00 AM to Friday 11:59 PM

Weekend Rates: Saturday 12:00 AM to Sunday 11:59 PM

* This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****6. BUSINESS ANYWHERE – SWITCHED***

A. Service Description: Business Anywhere - Switched is a switched long distance offering of services available to business/commercial customers. The Business Anywhere - Switched plan includes the following services: 1+ outbound, toll-free inbound, and calling card services.

B. Minimum Usage Requirement: There is a minimum monthly Minute of Use (MOU) usage commitment per month (Monthly MOU Commitment) for all Customers. Monthly MOU Commitment consists of all switched and dedicated inbound and outbound services; intrastate, interstate and international minutes. Customer may contact COMPANY to request appropriate discount level if there is a change anytime during Customer's term. New rate is effective on Customer's next billing cycle and there are no credit adjustments granted for previous or current billing cycle. If Customer fails to meet Monthly MOU Commitment, COMPANY will adjust the Customer's next billing cycle to the appropriate discount level.

C. Billing/Rounding: Switched outbound and switched inbound rates are quoted in full minutes. Call rounding is six (6) second increments.

(1). Calling Card: The Calling Card is billed in full minute increments.

D. Time Periods: Rates are for all time periods.

E. Term and Agreements: Business Anywhere – Switched is available in month-to-month (MTM) or twelve (12) month term plans.

F. Renewals: Upon expiration of the initial term and subsequent renewal term(s), the Customer's Agreement will automatically renew for a like period, unless either party notifies the other in writing of its intention not to renew 30 days before the end of the agreed term. The automatic renewal will be for the same length and at the current tariffed rates in effect at the time of such renewal associated with the term and volume of the original Agreement.

G. Early Termination Charges: Customers who terminate their term prior to the expiration date will be responsible for the following charges, payable upon receipt:

(1). 1 Year Contract: Early termination charges for Customers who terminate service prior to expiration of their one (1) year term are calculated by taking the months remaining on the contract and multiplying by two-thousand dollars (\$2,000.00).

H. Guarantees: Business Anywhere – Switched Customers are eligible to receive the following guarantees:

* Business Anywhere – Switched is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****6. BUSINESS ANYWHERE – SWITCHED***

(1). **Customer Satisfaction Guarantee:** See Section 2, paragraph 38 for a detailed description of this guarantee.

(2). **Installation Guarantee:** COMPANY guarantees that it will install the Customer's Business Anywhere – Switched service, by the date promised to the Customer, or the Customer is entitled to receive a \$250 credit. This credit will be applied on the Customer's subsequent month's invoice.

(3). **Quarterly Account Review Guarantee:** COMPANY guarantee that the assigned COMPANY account team will review all new Business Anywhere – Switched Customer accounts on a quarterly basis for the entire length of the Customer's term commitment.

(4). **Service Outage Resolution Guarantee -** COMPANY guarantees that it will restore any service outages the Customer may incur on their end-to-end Business Anywhere - Switched service within four (4) hours or less or the Customer is entitled to receive a \$250 credit. This credit will be applied on the Customer's subsequent month's invoice. The Service Outage Resolution Guarantee shall not apply for the following reasons:

(i). Interruptions caused by the negligence of the Customer or others authorized by the customer to use the customer's service.

(ii). Interruptions due to failure of power, equipment, service, or systems not provided by COMPANY.

(iii). Interruptions during any period in which COMPANY or its agents are not afforded access to the premises where the access line is terminated.

(iv). During any period when the Customer elects not to release the service(s) for testing and/or repair and continues to use it on an impaired basis.

(v). Interruptions not immediately/promptly reported to COMPANY.

(vi). Interruptions during any period when the Customer or user has released service to COMPANY for maintenance or rearrangement purpose, or for the installation of a Customer service order.

(vii). *Force majeure* events beyond the reasonable control of COMPANY including, but not limited to, acts of God, government regulation, national emergency, failure of power, system failure, or service not supplied by COMPANY or the access provider.

(viii). Labor strikes.

* Business Anywhere – Switched is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**6. **BUSINESS ANYWHERE – SWITCHED***I. **Products Rates and Charges:**(1). **Business Anywhere – Switched Outbound Usage Rates:**

MOUs per Month	MTM	Term
0 – 999	0.081	0.081
1,000 - 9,999	0.081	0.077
10,000 - 49,999	0.077	0.073
50,000 - 99,999	0.073	0.069
100,000 - 199,999	0.073	0.069
200,000 - 399,999	0.069	0.066
400,000 +	0.069	0.066

(2). **Business Anywhere – Switched Inbound Usage Rates:**

MOUs per Month	MTM	Term
0 – 999	0.095	0.095
1,000 - 9,999	0.095	0.090
10,000 - 49,999	0.090	0.086
50,000 - 99,999	0.086	0.081
100,000 - 199,999	0.086	0.081
200,000 - 399,999	0.081	0.078
400,000 +	0.081	0.078

(a). **Payphone Use Charge:** Payphone use charge applies to Toll-Free Inbound calls originating from payphones:

Payphone Use Charge	\$0.30
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(b). **Business Anywhere – Switched Enhanced Toll Free Features:** Business Anywhere –Switched offers enhanced toll free features for all Business Anywhere – Switched Customers. See Section 3, paragraph 2 for details. Enhanced Toll Free services monthly recurring and non recurring charges are waived for all Customers.

* Business Anywhere – Switched is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)

6. **BUSINESS ANYWHERE – SWITCHED (Cont'd)***

(3). **Business Anywhere – Switched, Calling Card Service:**

(a). Rate: \$0.20

(b). **Payphone Use Charge:** Payphone use charge applies to Toll-Free Inbound calls originating from payphones:

Payphone Use Charge	\$0.30
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* Business Anywhere – Switched is available to all customers who purchase and maintain on their account Touch America dedicated voice service or data products. This service is no longer available to new customers. This service is offered on a grandfathered basis to existing customers.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****7. BUSINESS ANYWHERE - DEDICATED**

A. Service Description: Business Anywhere - Dedicated is a dedicated service plan available to commercial/business customers. The Business Anywhere - Dedicated plan includes the following services: Dedicated 1+ outbound, dedicated toll-free inbound, and calling card services.

B. Minimum Usage Requirement: There is a minimum Minute of Use (MOU) usage commitment per month (Monthly MOU Commitment) for all Customers. Monthly MOU Commitment consists of all switched and dedicated inbound and outbound services; intrastate, interstate and international minutes, where customer's intrastate minutes may not exceed 50% of total domestic minutes. Customer may contact COMPANY to request appropriate discount level if there is a change any time during Customer's term. New rate is effective on Customer's next billing cycle and there are no credit adjustments granted for previous or current billing cycle. If Customer fails to meet Monthly MOU Commitment, COMPANY will adjust the Customer's next billing cycle to the appropriate discount level.

C. Billing/Rounding: Dedicated outbound and dedicated inbound rates are quoted in full minutes. Call rounding is six (6) second increments.

(1). Calling Card: The Calling Card is billed in full minute increments.

D. Time Periods: Rates are for all time periods.

E. Term and Agreements: Business Anywhere – Dedicated is available in month-to-month (MTM) or twelve (12) month term plans.

F. Renewals: Upon expiration of the initial term and subsequent renewal term(s), the Customer's Agreement will automatically renew for a like period, unless either party notifies the other in writing of its intention not to renew 30 days before the end of the agreed term. The automatic renewal will be for the same length and at the current tariffed rates in effect at the time of such renewal associated with the term and volume of the original Agreement.

G. Early Termination Charges: Customers who terminate their term prior to the expiration date will be responsible for the following charges, payable upon receipt:

1 Year Contract: For each month that a customer bills zero usage, customer will be assessed a charge equal to two thousand dollars (\$2000.00)

H. Guarantees: Business Anywhere – Dedicated Customers are eligible to receive the following guarantees:

(1). **Customer Satisfaction Guarantee:** See Section 2, paragraph 38 for a detailed description of this guarantee.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)****7. BUSINESS ANYWHERE - DEDICATED (Cont'd)**

(2). **Installation Guarantee:** COMPANY guarantees that it will install the Customer's Business Anywhere – Dedicated service, by the date promised to the Customer, or the Customer is entitled to receive a \$500 credit. This credit will be applied on the Customer's subsequent month's invoice.

(3). **Quarterly Account Review Guarantee:** COMPANY guarantees that the assigned COMPANY account team will review all new Business Anywhere – Dedicated Customer accounts on a quarterly basis for the entire length of the Customer's term commitment.

(4). **Service Outage Resolution Guarantee** - COMPANY guarantees that it will restore any service outages the Customer may incur on their end-to-end Business Anywhere - Dedicated service within four (4) hours or less or the Customer is entitled to receive a \$500 credit. This credit will be applied on the Customer's subsequent month's invoice. The Service Outage Resolution Guarantee shall not apply for the following reasons:

(i). Interruptions caused by the negligence of the Customer or others authorized by the customer to use the customer's service.

(ii). Interruptions due to failure of power, equipment, service, or systems not provided by COMPANY.

(iii). Interruptions during any period in which COMPANY or its agents are not afforded access to the premises where the access line is terminated.

(iv). During any period when the Customer elects not to release the service(s) for testing and/or repair and continues to use it on an impaired basis.

(v). Interruptions not immediately/promptly reported to COMPANY.

(vi). Interruptions during any period when the Customer or user has released service to COMPANY for maintenance or rearrangement purpose, or for the installation of a Customer service order.

(vii). *Force majeure* events beyond the reasonable control of COMPANY including, but not limited to, acts of God, government regulation, national emergency, failure of power, system failure, or service not supplied by COMPANY or the access provider.

(viii). Labor strikes.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**7. **BUSINESS ANYWHERE - DEDICATED (Cont'd)**I **Products Rates and Charges:**(1). **Business Anywhere – Dedicated Outbound Usage Rates:**

MOUs per Month	MTM	Term
0 – 999	0.052	0.052
1,000 - 9,999	0.052	0.052
10,000 - 49,999	0.052	0.052
50,000 - 99,999	0.052	0.049
100,000 - 199,999	0.050	0.047
200,000 - 399,999	0.049	0.047
400,000 +	0.047	0.044

(2). **Business Anywhere – Dedicated Inbound Usage Rates:**

MOUs per Month	MTM	Term
0 – 999	0.052	0.052
1,000 - 9,999	0.052	0.052
10,000 - 49,999	0.052	0.052
50,000 - 99,999	0.052	0.049
100,000 - 199,999	0.050	0.047
200,000 - 399,999	0.049	0.047
400,000 +	0.047	0.044

(a). **Payphone Use Charge:** Payphone use charge applies to Toll-Free Inbound calls originating from payphones:

Payphone Use Charge	\$0.30
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(b). **Business Anywhere – Dedicated Enhanced Toll Free Features:** Business Anywhere –Switched offers enhanced toll free features for all Business Anywhere Customers. If the customer signs a MTM or term commitment, the customer is eligible to received selected features. See Section 3, paragraph 2 for details. Enhanced Toll Free services monthly recurring and non recurring charges are waived for all Customers.

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ORIGINAL**SECTION 3 - SERVICE DESCRIPTIONS, RATES AND CHARGES (Cont'd)**7. **BUSINESS ANYWHERE - DEDICATED (Cont'd)**(3). **Business Anywhere – Dedicated, Calling Card Service:**

(a). Rate: \$0.20

(b). **Payphone Use Charge:** Payphone use charge applies to Toll-Free
Inbound calls originating from payphones:

Payphone Use Charge	\$0.30
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F. **Directory Assistance:** The following interstate charge applies to Directory Assistance
calls placed by Business Anywhere - Dedicated subscribers:

Directory Assistance	
Interstate	\$0.60 per minute

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